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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-016

Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Determination of No Shipments, and Rescission, In Part; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain passenger vehicle and light truck tires (passenger tires) from the People's Republic of China (PRC). The period of review (POR) is January 27, 2015 through July 31, 2016. The administrative review covers 108 respondents, including four mandatory respondents: Giti Tire Global Trading Pte. Ltd. (Giti), which we have preliminarily treated as a single entity with four affiliated companies identified below, Qingdao Sentury Tire Co., Ltd. (Sentury), which we have preliminarily treated as a single entity with two affiliated companies identified below, Best Choice International Trade Co., Limited (Best Choice), which withdrew its participation from the administrative review and will be treated as part of the PRC-wide entity, and Shandong Haohua Tire Co., Ltd. (Haohua), which withdrew its participation from the administrative review and will be treated as part of the PRC-wide entity. The Department preliminarily finds that Giti and Sentury sold subject merchandise in the United States at prices below normal value (NV) during the POR. In addition, we preliminarily determine that 65 companies/company groupings have established their eligibility for a separate rate, and that ten companies under review made no shipments of subject merchandise during the POR. Finally, we are rescinding this administrative review with respect to Cooper Tire &

Rubber Company/Cooper Chengshan (Shandong) Tire Co., Ltd./Cooper (Kunshan) Tire Co., Ltd. (collectively Cooper). Interested parties are invited to comment on these preliminary results.

DATES: [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Toni Page, Lingjun Wang, or Jun Jack Zhao, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1398, (202) 482-2316, or (202) 482-1396, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The scope of the order is passenger vehicle and light truck tires. Passenger vehicle and light truck tires are new pneumatic tires, of rubber, with a passenger vehicle or light truck size designation.¹ Merchandise covered by this order is classifiable under subheadings 4011.10.10.10, 4011.10.10.20, 4011.10.10.30, 4011.10.10.40, 4011.10.10.50, 4011.10.10.60, 4011.10.10.70, 4011.10.50.00, 4011.20.10.05, 4011.20.50.10, 4011.99.45.10, 4011.99.45.50, 4011.99.85.10, 4011.99.85.50, 8708.70.45.45, 8708.70.45.60, 8708.70.60.30, 8708.70.60.45, and 8708.70.60.60 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

Preliminary Determination of No Shipments

Based on an analysis of U.S. Customs and Border Protection (CBP) information, and comments provided by interested parties, the Department preliminarily determines that ten

¹ For a complete description of the scope of the order, see “Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China, Preliminary Determination of No Shipments; and Rescission, in part; 2015-2016,” (August 31, 2017) (Preliminary Decision Memorandum).

companies under review, Highpoint Trading, Ltd., Federal Tire (Jiangxi), Ltd., Federal Corporation, Weihai Ping'an Tyre Co., Ltd., Qingdao Free Trade Zone Full-World International Trading Co., Ltd., Seatex PTE. Ltd., Wendeng Sanfeng Tyre Co., Ltd., Shandong Hawk International Rubber Industry Co., Ltd., Qingdao Honghua Tyre Factory (Honghua), and Zenith Holding (HK) Limited each had no shipments during the POR. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Consistent with an announced refinement to its assessment practice in non-market economy (NME) cases, the Department is not rescinding this review, in part, but intends to complete the review with respect to the companies for which it has preliminarily found no shipments and issue appropriate instructions to CBP based on the final results of the review.²

Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, in whole or in part, if the party or parties that requested a review withdraws the request within 90 days of the publication date of the notice of initiation of the requested review. The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC (the petitioner) and Cooper withdrew their requests for an administrative review with respect to Cooper within 90 days of the publication date of the notice of initiation. No other parties requested an administrative review of the order with respect to Cooper. Therefore, in accordance with 19 CFR 351.213(d)(1), the Department is rescinding this review of the AD order on passenger tires from the PRC with respect to Cooper.

Preliminary Affiliation and Single Entity Determination

The Department continues to find that Giti and the following four companies are affiliated pursuant to section 771(33)(E) of the Tariff Act of 1930, as amended (the Act), and

² *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011) and the "Assessment Rates" section, below.

should be treated as a single entity pursuant to 19 CFR 351.401(f): Giti Tire (USA) Ltd. (Giti USA), Giti Radial Tire (Anhui) Company Ltd. (Giti Anhui), Giti Tire (Fujian) Company Ltd. (Giti Fujian), and Giti Tire (Hualin) Company Ltd. (Giti Hualin) (collectively Giti). This preliminary finding is based on record evidence showing that the facts and analysis relied upon by the Department in the investigation of passenger tires from the PRC continue to be applicable during the instant POR. For additional information, *see* Preliminary Decision Memorandum at the “Single Entity Treatment” section.

Based on information on the record of the instant review, the Department preliminarily finds that Sentury, Sentury Tire USA Inc (Sentury USA), and Sentury (Hong Kong) Trading Co., Limited (Sentury HK) are affiliated pursuant to section 771(33)(E) of the Act, and should be treated as a single entity pursuant to 19 CFR 351.401(f).³

Separate Rates

The Department preliminarily determines that the information placed on the record by Giti and Sentury, as well as by the other companies listed in the rate table in the “Preliminary Results of Review” section below, demonstrates that these companies are entitled to separate rate status. The Department calculated weighted-average dumping margins for Giti and Sentury, and consistent with our practice, calculated a rate for the companies to which it granted separate rate status, but which it did not individually examine, based on publicly ranged sales values reported by Giti and Sentury.⁴

³ *See* the Preliminary Decision Memorandum at “Single Entity Treatment;” *see also* Memorandum, “Preliminary Analysis Memorandum for Qingdao Sentury Tire Co., Ltd.” (Sentury Preliminary Analysis Memorandum) (August 31, 2017) at “Single Entity Analysis” section.

⁴ *See* Memorandum, “Certain Passenger Vehicle and Light Truck Tires from the People’s Republic of China: Preliminary Calculation of the Margin for Respondents Not Selected for Individual Examination,” (August 31, 2016) (Preliminary Separate Rate Calculation Memorandum); *see also* Preliminary Decision Memorandum at 16-17.

In addition, the Department preliminarily determines that certain companies have not demonstrated their entitlement to separate rate status because, (1) they withdrew their participation from the administrative review; or (2) they did not rebut the presumption of *de jure* or *de facto* government control of their operations. See Appendix 2 of this *Federal Register* notice for a complete list of companies not receiving a separate rate. In addition, five companies: Poplar Tire International Co. Ltd.; Qingdao Yongdao International Trade Co. Ltd.; Shandong Hongsheng Rubber Co. Ltd.; Shandong Xinghongyuan Tyre Co. Ltd.; and Shanghai Durotyre International Trading Co. Ltd., filed separate rate applications even though an administrative review was not requested for or initiated on their behalf. Because these companies are not subject to this review, the Department is not considering their applications for separate-rate status.

The Department is treating the companies for which it did not grant separate rate status as part of the PRC-wide entity. Because no party requested a review of the PRC-wide entity, the entity is not under review, and the entity's rate (*i.e.*, 87.99 percent)⁵ is not subject to change.⁶

Methodology

The Department conducted this review in accordance with section 751(a)(1)(B) of the Act. The Department preliminarily determines that Giti's and Sentury's reported U.S. sales were either export price (EP) or constructed export price (CEP). We calculated EP and CEP sales in accordance with section 772 of the Act. Given that the PRC is an NME country, within the meaning of section 771(18) of the Act, the Department calculated NV in accordance with section 773(c) of the Act.

⁵ See *Certain Passenger Vehicle and Light Truck Tires from the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 80 FR 47902, 47906 (August 10, 2015) (*Order*).

⁶ For additional information regarding the Department's separate rate determinations, see the Preliminary Decision Memorandum.

For a full description of the methodology underlying the preliminary results of this review, *see* the Preliminary Decision Memorandum, which is hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is made available to the public *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content. A list of topics included in the Preliminary Decision Memorandum is provided in Appendix 1 to this notice.

Adjustments for Countervailable Subsidies

The Department has preliminarily granted Giti and the separate rate recipients an adjustment for countervailable domestic subsidies pursuant to section 777A(f) of the Act. In addition, the Department preliminarily finds that Sentury does not qualify for an adjustment for countervailable domestic subsidies.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margins exist for the POR:

Exporter	Weighted-Average Dumping Margin (Percent)
Giti Tire Global Trading Pte. Ltd./Giti Tire (USA) Ltd./Giti Tire (Anhui) Company Ltd./Giti Tire (Fujian) Company Ltd./Giti Tire (Hualin) Company Ltd.	13.39
Qingdao Sentury Tire Co., Ltd./Sentury Tire USA Inc./Sentury (Hong Kong) Trading Co., Limited	11.28
Actyon Tyre Resources Co., Limited	12.92
Shandong Anchi Tyres Co., Ltd.	12.92
Briway Tire Co., Ltd.	12.92

Shandong Changfeng Tyres Co., Ltd.	12.92
Qingdao Crown Chemical Co., Ltd.	12.92
Crown International Corporation	12.92
Qingzhou Detai International Trading Co., Ltd.	12.92
Shandong Duratti Rubber Corporation Co. Ltd.	12.92
Shouguang Firemax Tyre Co., Ltd.	12.92
Fleming Limited	12.92
Qingdao Fullrun Tyre Corp., Ltd.	12.92
Qingdao Fullrun Tyre Tech Corp., Ltd.	12.92
Guangrao Taihua International Trade Co., Ltd.	12.92
Shandong Guofeng Rubber Plastics Co., Ltd.	12.92
Hankook Tire China Co., Ltd.	12.92
Haohua Orient International Trade Ltd.	12.92
Shandong Hengyu Science & Technology Co., Ltd.	12.92
Hongkong Tiancheng Investment & Trading Co., Limited	12.92
Hongtyre Group Co.	12.92
Jiangsu Hankook Tire Co., Ltd.	12.92
Jinyu International Holding Co., Limited	12.92
Qingdao Jinhaoyang International Co., Ltd.	12.92
Jilin Jixing Tire Co., Ltd.	12.92
Kenda Rubber (China) Co., Ltd.	12.92
Qingdao Keter International Co., Limited	12.92
Koryo International Industrial Limited	12.92
Kumho Tire Co., Inc.	12.92
Qingdao Lakesea Tyre Co., Ltd.	12.92
Liaoning Permanent Tyre Co., Ltd.	12.92
Shandong Longyue Rubber Co., Ltd.	12.92
Macho Tire Corporation Limited	12.92
Maxon Int'l Co., Limited	12.92
Mayrun Tyre (Hong Kong) Limited	12.92
Qingdao Nama Industrial Co., Ltd.	12.92
Nankang (Zhangjiagang Free Trade Zone) Rubber Industrial Co., Ltd.	12.92
Shandong New Continent Tire Co., Ltd.	12.92
Qingdao Odyking Tyre Co., Ltd.	12.92
Prinx Chengshan (Shandong) Tire Co., Ltd.	12.92
Riversun Industry Limited	12.92
Roadclaw Tyre (Hong Kong) Limited	12.92
Safe & Well (HK) International Trading Limited	12.92
Sailun Jinyu Group Co., Ltd.	12.92
Sailun Jinyu Group (Hong Kong) Co., Limited	12.92
Shandong Jinyu Industrial Co., Ltd.	12.92
Sailun Tire International Corp.	12.92
Seatex International Inc.	12.92
Dynamic Tire Corp.	12.92
Husky Tire Corp.	12.92
Shandong Province Sanli Tire Manufactured Co., Ltd.	12.92

Shandong Linglong Tyre Co., Ltd.	12.92
Shandong Yonking Rubber Co., Ltd.	12.92
Shandong Shuangwang Rubber Co., Ltd.	12.92
Shengtai Group Co., Ltd.	12.92
Techking Tires Limited	12.92
Triangle Tyre Co., Ltd.	12.92
Tyrechamp Group Co., Limited	12.92
Shandong Wanda Boto Tyre Co., Ltd.	12.92
Windforce Tyre Co., Limited	12.92
Winrun Tyre Co., Ltd.	12.92
Shandong Yongtai Group Co., Ltd.	12.92
Weihai Zhongwei Rubber Co., Ltd.	12.92
Shandong Zhongyi Rubber Co., Ltd.	12.92
Zhaoqing Junhong Co., Ltd.	12.92

Disclosure and Public Comment

The Department intends to disclose to parties the calculations performed for these preliminary results of review within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.⁷ Rebuttal briefs may be filed no later than five days after case briefs are due, and may respond only to arguments raised in the case briefs.⁸ A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to the Department. The summary should be limited to five pages total, including footnotes.⁹

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice.¹⁰ Requests should contain the party's name, address, and telephone number, the number of participants in, and a list of the issues to be discussed at, the hearing. Oral arguments at the hearing will be limited to issues raised in the

⁷ See 19 CFR 351.309(c)(ii).

⁸ See 19 CFR 351.309(d).

⁹ See 19 CFR 351.309(c)(2), (d)(2).

¹⁰ See 19 CFR 351.310(c).

briefs. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a date and time to be determined.¹¹ Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date of the hearing.

All submissions, with limited exceptions, must be filed electronically using ACCESS.¹² An electronically filed document must be received successfully in its entirety by the Department's electronic records system, ACCESS, by 5 p.m. Eastern Time (ET) on the due date. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper form) with the APO/Dockets Unit in Room 18022 and stamped with the date and time of receipt by 5 p.m. ET on the due date.¹³

Unless otherwise extended, the Department intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of this review, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹⁴ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. For each individually examined respondent in this review whose weighted-average dumping margin in the final results of review is not zero or *de minimis* (*i.e.*, less than 0.5 percent), the Department intends to calculate importer-specific assessment rates, in

¹¹ See 19 CFR 351.310(d).

¹² See generally 19 CFR 351.303.

¹³ See 19 CFR 351.303 (for general filing requirements); *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011).

¹⁴ See 19 CFR 351.212(b)(1).

accordance with 19 CFR 351.212(b)(1).¹⁵ Where the respondent reported reliable entered values, the Department intends to calculate importer-specific *ad valorem* assessment rates by aggregating the amount of dumping calculated for all U.S. sales to the importer, and dividing this amount by the total entered value of the sales to the importer.¹⁶ Where the importer did not report entered values, the Department intends to calculate an importer-specific assessment rate by dividing the amount of dumping for reviewed sales to the importer by the total sales quantity associated with those transactions. Where an importer-specific *ad valorem* assessment rate is not zero or *de minimis*, the Department will instruct CBP to collect the appropriate duties at the time of liquidation. Where either the respondent's weighted average dumping margin is zero or *de minimis*, or an importer-specific *ad valorem* assessment rate is zero or *de minimis*, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.¹⁷

Pursuant to Departmental practice, for entries that were not reported in the U.S. sales database submitted by an exporter individually examined during this review, the Department will instruct CBP to liquidate such entries at the rate for the PRC-wide entity.¹⁸ Additionally, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's CBP case number will be liquidated at the rate for the PRC-wide entity.

We are rescinding this review for Cooper. Our normal practice is to instruct CBP to assess antidumping duties at the rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse for consumption, in accordance

¹⁵ See *Antidumping Proceedings: Calculation of the Weighted Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification*).

¹⁶ See 19 CFR 351.212(b)(1).

¹⁷ See *Final Modification*, 77 FR at 8103.

¹⁸ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), for a full discussion of this practice.

with 19 CFR 351.212(c)(1)(i). However, Cooper's entries during the POR are subject to an injunction. We intend to issue the appropriate liquidation instructions once the injunction on Cooper's POR entries has been lifted.

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on POR entries, and for future deposits of estimated antidumping duties, where applicable.

Cash Deposit Requirements

The Department will instruct CBP to require a cash deposit for antidumping duties equal to the weighted-average amount by which NV exceeds U.S. price. The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice, as provided by section 751(a)(2)(C) of the Act: (1) for the exporters listed above, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review (except, if the rate is *de minimis* (*i.e.*, less than 0.5 percent), then the cash deposit rate will be zero for that exporter), adjusted, where appropriate, for export subsidies and domestic subsidies passed through; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recently completed segment of this proceeding; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the PRC-wide entity (*i.e.*, 76.46 percent)¹⁹ and (4) for all non-PRC exporters of subject merchandise that have not received their own rate, the cash deposit rate

¹⁹ See *Order*, 80 FR 47904.

will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties and/or countervailing duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties and/or countervailing duties has occurred, and the subsequent assessment of double antidumping duties and/or an increase in the amount of antidumping duties by the amount of the countervailing duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 351.221(b)(4).

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Dated: August 31, 2017

Appendix 1

List of Topics Discussed in the Preliminary Decision Memorandum

1. Summary
2. Background
3. Partial Rescission of Administrative Review
4. Scope of the Order
5. Discussion of the Methodology
6. Conclusion

Appendix 2

List of Companies Not Receiving Separate Rate Status

1. American Pacific Industries, Inc.
2. BC Tyre Group Limited
3. Best Choice International Trade Co., Limited
4. Cheng Shin Tire & Rubber (China) Co., Ltd.
5. Guangzhou Pearl River Rubber Tyre Ltd.
6. Haohua Orient International Trade Ltd.
7. Hebei Tianrui Rubber Co., Ltd.
8. Hong Kong Tri-Ace Tire Co., Limited
9. Hwa Fong Rubber (Hong Kong) Ltd.
10. ITG Voma Corporation
11. Nankang (Zhangjiagang Free Trade Zone) Rubber Industrial Co., Ltd.
12. Nankang International Co., Ltd.
13. Nankang Rubber Tire Corp., Ltd.
14. Pirelli Tyre Co., Ltd.
15. Qingdao Goalstar Tire Co., Ltd.
16. Qingdao Nexen Tire Corporation
17. Qingdao Qianzhen Tyre Co., Ltd.
18. Qingdao Qihang Tyre Co., Ltd.
19. Qingdao Qizhou Rubber Co., Ltd.
20. Shandong Changhong Rubber Tech
21. Shandong Good Forged Alum Wheel
22. Shandong Haohua Tire Co., Ltd.

23. Shandong Haolong Rubber Tire Co., Ltd.
24. Shandong Huitong Tyre Co., Ltd.
25. Shandong Sangong Rubber Co., Ltd.
26. Shandong Yongtai Chemical Co., Ltd.²⁰
27. Shangong Ogreen International Trade Co., Ltd.
28. Shifeng Juxing Tire Co., Ltd.
29. Southeast Mariner International Co., Ltd.
30. Toyo Tire (Zhangjiagang) Co., Ltd.
31. Wanli Group Trade Limited
32. Xiamen Sunrise Wheel Group Co., Ltd.
33. Xiamen Topu Import
34. Zhejiang Jingu Company Limited
35. Zhejiang Qingda Rubber Co., Ltd.

²⁰ The review was initiated on Shandong Yongtai Group Co., Ltd. (formerly known as Shandong Yongtai Chemical Co., Ltd.); however, the Department only granted the company a separate rate under its current name, Shandong Yongtai Group Co., Ltd.

